

COOPER SUPPORTS DOE INVESTMENT IN SMYRNA, TN NISSAN FACTORY

January 28, 2010

"These funds will create 1,300 good jobs in Middle Tennessee and will benefit our nation's economy, national security and environment."

WASHINGTON --

Congressman Jim Cooper (TN-05) was pleased by the Department of Energy's announcement of a \$1.4 billion investment in the Nissan Factory in Smyrna. Secretary of Energy Steven Chu announced that the Department of Energy has closed its \$1.4 billion loan agreement with Nissan North America, Inc. to retool its Smyrna, Tennessee factory. Nissan will use funds to build advanced electric automobiles and an advanced battery manufacturing facility. The two projects are expected to create up to 1,300 American jobs. Congressman Jim Cooper had this to say about today's announcement:

"These funds will create 1,300 good jobs in Middle Tennessee and will benefit our nation's economy, national security and environment. Smyrna's know-how will produce a next generation of clean vehicles and will help America save a quarter of a trillion dollars every year on oil from foreign countries."

The Department of Energy Press Release is attached below.

###

Secretary Chu Announces Closing of \$1.4 Billion Loan to Nissan

Project expected to provide up to 1,300 Jobs in Tennessee

Washington D.C. --- U.S.

Secretary of Energy Steven Chu announced today that the Department of Energy has closed its \$1.4 billion loan agreement with Nissan North America, Inc. to retool their Smyrna, Tennessee factory to build advanced electric automobiles

and an advanced battery manufacturing facility. The two projects are expected to create up to 1,300 American jobs and conserve up to 65.4 million gallons of gasoline per year - an amount equal to six times the oil spilled by the Exxon Valdez in 1989.

"This is an investment in our clean energy future. It will bring the United States closer to reducing our dependence on foreign oil and help lower carbon pollution," said Secretary Chu. "We are committed to making strides to revitalize the American auto industry and supporting the development of clean energy vehicles."

Nissan plans to use the proceeds from the loan to produce its all-electric vehicle, the LEAF, at its existing Smyrna, Tennessee plant. Nissan will offer electric vehicles to fleet and retail customers, and plans to ramp up production capacity in Smyrna up to 150,000 vehicles annually.

Nissan is pursuing a global strategy of transitioning to electric vehicles. Building a state-of-the-art manufacturing plant in Smyrna, to produce 200,000 battery packs annually, is a significant part of that strategy. Nissan is also laying the groundwork in developing an infrastructure in the US to support electric vehicles. The company has formed partnerships with states, counties, municipalities, and electric utilities to prepare markets for the introduction of electric vehicles including the installation of charging stations.

Today's announcement marks the third loan arrangement agreement signed by DOE with an advanced technology vehicle manufacturer. In September 2009, DOE signed its first loan agreement for \$5.9 billion to Ford Motor Company. Last week, DOE also signed a \$465 million loan agreement with Tesla Motors, which will be used to build manufacturing facilities in California for electric power-trains and Tesla's Model S electric sedan. The Department has also signed a conditional commitment with Fisker Automotive to build plug-in hybrid electric vehicles. Tenneco, Inc. became the first advanced technology component manufacturer to obtain a conditional commitment from DOE in October of last year.

The Department was provided \$7.5 billion for credit subsidy costs by Congress to cover up to \$25 billion in direct loans to companies making cars and components in US factories that increase fuel economy at least 25 percent above 2005 fuel economy levels.

The agreement was negotiated and signed through the Department's Loan Programs Office, which supports the development of innovative, advanced vehicle technologies to create thousands of clean energy jobs while helping reduce the nation's dependence on foreign oil.

###